

Executive Summary – Enforcement Matter – Case No. 49929
Shintech Incorporated
RN100213198
Docket No. 2015-0077-AIR-E

Order Type:

1660 Agreed Order

Findings Order Justification:

N/A

Media:

AIR

Small Business:

No

Location(s) Where Violation(s) Occurred:

Shintech Freeport Plant, 5618 East Highway 332, Freeport, Brazoria County

Type of Operation:

Polyvinyl chloride resins production plant

Other Significant Matters:

Additional Pending Enforcement Actions: No

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

Texas Register Publication Date: July 24, 2015

Comments Received: No

Penalty Information

Total Penalty Assessed: \$37,500

Amount Deferred for Expedited Settlement: \$7,500

Amount Deferred for Financial Inability to Pay: \$0

Total Paid to General Revenue: \$30,000

Total Due to General Revenue: \$0

Payment Plan: N/A

Supplemental Environmental Project ("SEP") Conditional Offset: \$0

Name of SEP: N/A

Compliance History Classifications:

Person/CN - Satisfactory

Site/RN - Satisfactory

Major Source: Yes

Statutory Limit Adjustment: N/A

Applicable Penalty Policy: April 2014

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Shintech Incorporated
RN100213198
Docket No. 2015-0077-AIR-E

Investigation Information

Complaint Date(s): N/A

Complaint Information: N/A

Date(s) of Investigation: December 3, 2014

Date(s) of NOE(s): December 29, 2014

Violation Information

Failed to accurately represent emissions and equipment in New Source Review (“NSR”) Permit Nos. 9347 and PSDTX285M5. Specifically, the Respondent failed to accurately represent emissions of Vinyl Chloride Monomer (“VCM”) and non-VCM volatile organic compounds (“VOC”) associated with equipment at Plant 1, Plant 2, and Plant 3 as reported in the deviation report for the November 25, 2013 to May 24, 2014 deviation reporting period, resulting in the unauthorized emissions of 0.18 ton per year (“tpy”) of VCM and 25.23 tpy of non-VCM VOC [30 TEX. ADMIN. CODE §§ 101.20(3), 116.115(c), 116.116(b)(1), and 122.143(4), NSR Permit Nos. 9347 and PSDTX285M5, Special Conditions No. 1, Federal Operating Permit No. 01361, Special Terms and Conditions No. 10.A., and TEX. HEALTH & SAFETY CODE § 382.085(b)].

Corrective Actions/Technical Requirements

Corrective Action(s) Completed:

N/A

Technical Requirements:

The Order will require the Respondent to:

- a. Within 30 days, submit an administratively complete application to amend NSR Permit Nos. 9347 and PSDTX285M5 to accurately represent VCM, non-VCM VOC, and equipment;
- b. Respond completely and adequately, as determined by the TCEQ, to all requests for information concerning the permit amendment for NSR Permit Nos. 9347 and PSDTX285M5 within 30 days after the date of such requests, or by any other deadline specified in writing;
- c. Within 45 days, submit written certification to demonstrate compliance with a.;
- d. Within 360 days, submit written certification that either a permit amendment has been obtained or that operation has ceased until such time that appropriate authorization is obtained.

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Shintech Incorporated
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Docket No. 2015-0077-AIR-E

Litigation Information

Date Petition(s) Filed: N/A
Date Answer(s) Filed: N/A
SOAH Referral Date: N/A
Hearing Date(s): N/A
Settlement Date: N/A

Contact Information

TCEQ Attorney: N/A
TCEQ Enforcement Coordinator: Raime Hayes-Falero, Enforcement Division,
Enforcement Team 4, MC R-12, (713) 767-3567; Candy Garrett, Enforcement Division,
MC 219, (512) 239-1456
TCEQ SEP Coordinator: N/A
Respondent: Thomas Andersen, Environmental Manager, Shintech Incorporated,
5618 East Highway 332, Freeport, Texas 77541
John Timothy O'Brien, Plant Manager, Shintech Incorporated, 5618 East Highway 332,
Freeport, Texas 77541
Respondent's Attorney: N/A



Penalty Calculation Worksheet (PCW)

Policy Revision 4 (April 2014)

PCW Revision March 26, 2014

TCEQ

DATES	Assigned	5-Jan-2015	Screening	13-Jan-2015	EPA Due	
	PCW	6-May-2015				

RESPONDENT/FACILITY INFORMATION

Respondent	Shintech Incorporated		
Reg. Ent. Ref. No.	RN100213198		
Facility/Site Region	12-Houston	Major/Minor Source	Major

CASE INFORMATION

Enf./Case ID No.	49929	No. of Violations	1
Docket No.	2015-0077-AIR-E	Order Type	1660
Media Program(s)	Air	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Raime Hayes-Falero
		EC's Team	Enforcement Team 4
Admin. Penalty \$ Limit Minimum	\$0	Maximum	\$25,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties)	Subtotal 1	\$18,750
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ADJUSTMENTS (+/-) TO SUBTOTAL 1

Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the indicated percentage.

Compliance History	100.0% Enhancement	Subtotals 2, 3, & 7	\$18,750
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Notes: Enhancement for four NOV's with same or similar violations, four orders with denial of liability, and one order without denial of liability. Reduction for two notices of intent to conduct an audit and one disclosure of violations.

Culpability	No	0.0% Enhancement	Subtotal 4	\$0
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Notes: The Respondent does not meet the culpability criteria.

Good Faith Effort to Comply Total Adjustments	Subtotal 5	\$0
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Economic Benefit	0.0% Enhancement*	Subtotal 6	\$0
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Total EB Amounts \$1,067
Estimated Cost of Compliance \$10,000
*Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7	Final Subtotal	\$37,500
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OTHER FACTORS AS JUSTICE MAY REQUIRE

0.0%

Adjustment	\$0
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Reduces or enhances the Final Subtotal by the indicated percentage.

Notes

Final Penalty Amount	\$37,500
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STATUTORY LIMIT ADJUSTMENT

Final Assessed Penalty	\$37,500
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DEFERRAL

20.0%

Reduction

Adjustment	-\$7,500
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Reduces the Final Assessed Penalty by the indicated percentage. (Enter number only; e.g. 20 for 20% reduction.)

Notes

Deferral offered for expedited settlement.

PAYABLE PENALTY

\$30,000

Screening Date 13-Jan-2015

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PCW

Respondent Shintech Incorporated

Policy Revision 4 (April 2014)

Case ID No. 49929

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN100213198

Media [Statute] Air

Enf. Coordinator Raime Hayes-Falero

Compliance History Worksheet

>> Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written notices of violation ("NOVs") with same or similar violations as those in the current enforcement action (<i>number of NOVs meeting criteria</i>)	4	20%
	Other written NOVs	0	0%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	4	80%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	1	25%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (<i>number of judgments or consent decrees meeting criteria</i>)	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (<i>number of counts</i>)	0	0%
Emissions	Chronic excessive emissions events (<i>number of events</i>)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which notices were submitted</i>)	2	-2%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which violations were disclosed</i>)	1	-2%
Please Enter Yes or No			
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) 121%

>> Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) 0%

>> Compliance History Person Classification (Subtotal 7)

Satisfactory Performer

Adjustment Percentage (Subtotal 7) 0%

>> Compliance History Summary

Compliance History Notes

Enhancement for four NOVs with same or similar violations, four orders with denial of liability, and one order without denial of liability. Reduction for two notices of intent to conduct an audit and one disclosure of violations.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7) 121%

>> Final Compliance History Adjustment

Final Adjustment Percentage *capped at 100% 100%

Screening Date 13-Jan-2015

Docket No. 2015-0077-AIR-E

PCW

Respondent Shintech Incorporated

Policy Revision 4 (April 2014)

Case ID No. 49929

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN100213198

Media [Statute] Air

Enf. Coordinator Raime Hayes-Falero

Violation Number 1

Rule Cite(s)

30 Tex. Admin. Code §§ 101.20(3), 116.115(c), 116.116(b)(1), and 122.143(4), New Source Review ("NSR") Permit Nos. 9347 and PSDTX285M5, Special Conditions No. 1, Federal Operating Permit No. O1361, Special Terms and Conditions No. 10.A., and Tex. Health & Safety Code § 382.085(b)

Violation Description

Failed to accurately represent emissions and equipment in NSR Permit Nos. 9347 and PSDTX285M5. Specifically, the Respondent failed to accurately represent emissions of Vinyl Chloride Monomer ("VCM") and non-VCM volatile organic compounds ("VOC") associated with equipment at Plant 1, Plant 2, and Plant 3 as reported in the deviation report for the November 25, 2013 to May 24, 2014 deviation reporting period, resulting in the unauthorized emissions of 0.18 ton per year ("tpy") of VCM and 25.23 tpy of non-VCM VOC. See attached tables.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			X
Potential			

Percent 15.0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0.0%

Matrix Notes

Human health or the environment has been exposed to insignificant amounts of pollutants that do not exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment \$21,250

\$3,750

Violation Events

Number of Violation Events 5

414 Number of violation days

mark only one with an x	daily	
	weekly	
	monthly	
	quarterly	X
	semiannual	
	annual	
	single event	

Violation Base Penalty \$18,750

Five quarterly events are recommended from the first date of non-compliance on November 25, 2013 to the screening date of January 13, 2015.

Good Faith Efforts to Comply

0.0%

Reduction \$0

Before NOE/NOV NOE/NOV to EDPRP/Settlement Offer

Extraordinary		
Ordinary		
N/A	X	(mark with x)

Notes

The Respondent does not meet the good faith criteria for this violation.

Violation Subtotal \$18,750

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$1,067

Violation Final Penalty Total \$37,500

This violation Final Assessed Penalty (adjusted for limits) \$37,500

Economic Benefit Worksheet

Respondent Shintech Incorporated
 Case ID No. 49929
 Reg. Ent. Reference No. RN100213198
 Media Air
 Violation No. 1

Percent Interest 5.0
 Years of Depreciation 15

Item Cost Date Required Final Date Yrs Interest Saved Onetime Costs EB Amount
 Item Description No commas or \$

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/Construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs	\$10,000	25-Nov-2013	13-Jan-2016	2.13	\$1,067	n/a	\$1,067
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

Estimated cost to correct the representations of VCM and non-VCM VOC emissions associated to equipment in Plant 1, Plant 2, and Plant 3 in NSR Permit Nos. 9347 and PSDTX285M5. The Date Required is the date the violation began. The Final Date is the estimated date of compliance.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/Equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$10,000

TOTAL

\$1,067

Shintech Incorporated
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Air Account No. BL0051F

Plant 1	
Equipment ID	Equipment Description
TK-455D	Plant 1 Cushion Tank
TK-455E	Plant 1 Cushion Tank
TK-455F	Plant 1 Cushion Tank
TK-455G	Plant 1 Cushion Tank
CF-401D	Centrifuge
CF-401E	Centrifuge
CF-401F	Centrifuge
CF-401G	Centrifuge
CF-402D	Centrifuge
CF-402E	Centrifuge
CF-402F	Centrifuge
CF-402G	Centrifuge
N/A	Railcar Wash Area
CL-681	Waste Water Clarifier
FL-407A/B/C	Gravity Filters (A,B,C)
PIT-403	PVC Settling Pit
PIT-684	Equalization Pit
PIT-685	Biological Pit
PIT-687&688	No. 1 & No. 2 pH Adjustment Pits
PIT-689	Post Aeration/Final Pit
PIT-690	Clarified Wastewater Pit
TK-404D/E/F/G	Effluent Water Tanks (D,E,F,G)
TK-414	RDW Tank
TK-418	Coagulation Tank
TK-419	Clearwell Tank
TK-420	RDW Cushion (Overflow) Tank
PIT-451	SH-C Pit
PIT-681	Extended Aeration Lagoon
PIT-682	Settling Pit
CL-661	Raw Water Clarifier
TK-462	Waste Water Processing Tank

Shintech Incorporated
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Air Account No. BL0051F

Plant 2	
Equipment ID	Equipment Description
TK-2455A	Plant 2 Cushion Tank
TK-2455B	Plant 2 Cushion Tank
TK-2455C	Plant 2 Cushion Tank
CF-2401A	Centrifuge
CF-2401B	Centrifuge
CF-2401C	Centrifuge
CF-2402A	Centrifuge
CF-2402B	Centrifuge
CF-2402C	Centrifuge
CL-2681	Waste Water Clarifier
FL-2691A/B/C	Gravity Filters (A,B,C)
PIT-2402	PVC Settling Pit
PIT-2685	Final Pit
PIT-2686	Post Aeration and Neutralization Pit
PIT-2687	Equalization Pit
PIT-2688	Biological Pit
TK-2404A/B/C	Effluent Water Tanks
TK-2651	RDW Tank
TK-2691	Coagulation Tank
TK-2693	Clearwell Tank (RDW Tank)
PIT-2690	Effluent Pit

Shintech Incorporated
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Air Account No. BL0051F

Plant 3	
Equipment ID	Equipment Description
TK-3455A	Plant 3 Cushion Tank
TK-3455B	Plant 3 Cushion Tank
TK-3455C	Plant 3 Cushion Tank
CF-3401A	Centrifuge
CF-3401B	Centrifuge
CF-3401C	Centrifuge
CF-3402A	Centrifuge
CF-3402B	Centrifuge
CF-3402C	Centrifuge
N/A	Railcar Wash Area
CL-3681	Waste Water Clarifier
FL-3691A/B	Gravity Filters (A,B)
PIT-3402	PVC Settling Pit
PIT-3685 & 3686	No. 1 & No. 2 pH Adjustment Pits
PIT-3687	Post Aeration and Neutralization Pit
PIT-3681	Equalization Pit
PIT-3682	Biological Pit
PIT-3688	Clarified Waste Water Pit
TK-3404A/B/C	Effluent Water Tanks (A,B,C)
TK-3651	RDW Tank
TK-3691	Coagulation Tank
TK-3693	Clearwell Tank
PIT-3691	Effluent Pit
PIT-3693	Biological Pit
PIT-3694	RDW Pit
CL-3661	Clarifier (Raw Water Clarifier)
PIT-3692	Equalization Pit
CL-3682	RDW2 Clarifier



Compliance History Report

PUBLISHED Compliance History Report for CN600128425, RN100213198, Rating Year 2014 which includes Compliance History (CH) components from September 1, 2009, through August 31, 2014.

Customer, Respondent, or Owner/Operator: CN600128425, Shintech Incorporated

Classification: SATISFACTORY

Rating: 3.32

Regulated Entity: RN100213198, SHINTECH FREEPORT PLANT

Classification: SATISFACTORY

Rating: 3.32

Complexity Points: 29

Repeat Violator: NO

CH Group: 05 - Chemical Manufacturing

Location: 5618 E HIGHWAY 332 FREEPORT, TX 77541-3113, BRAZORIA COUNTY

TCEQ Region: REGION 12 - HOUSTON

ID Number(s):

AIR OPERATING PERMITS ACCOUNT NUMBER BL0051F

POLLUTION PREVENTION PLANNING ID NUMBER P00625

AIR NEW SOURCE PERMITS PERMIT 682E

AIR NEW SOURCE PERMITS ACCOUNT NUMBER BL0051F

AIR NEW SOURCE PERMITS PERMIT 8299

AIR NEW SOURCE PERMITS EPA PERMIT PSDTX285M2

AIR NEW SOURCE PERMITS EPA PERMIT PSDTX285M4

AIR NEW SOURCE PERMITS EPA PERMIT PSDTX671

AIR NEW SOURCE PERMITS REGISTRATION 112757

WASTEWATER EPA ID TX0053813

AIR EMISSIONS INVENTORY ACCOUNT NUMBER BL0051F

INDUSTRIAL AND HAZARDOUS WASTE SOLID WASTE
REGISTRATION # (SWR) 31121

PETROLEUM STORAGE TANK REGISTRATION REGISTRATION
85044

AIR OPERATING PERMITS PERMIT 1361

PUBLIC WATER SYSTEM/SUPPLY REGISTRATION 0200598

AIR NEW SOURCE PERMITS PERMIT 36277

AIR NEW SOURCE PERMITS PERMIT 9347

AIR NEW SOURCE PERMITS EPA PERMIT PSDTX285M5

AIR NEW SOURCE PERMITS EPA PERMIT PSDTX285M3

AIR NEW SOURCE PERMITS EPA PERMIT PSDTX285M1

AIR NEW SOURCE PERMITS EPA PERMIT PSDTX285

AIR NEW SOURCE PERMITS AFS NUM 4803900012

WASTEWATER PERMIT WQ0004818000

INDUSTRIAL AND HAZARDOUS WASTE EPA ID
TXD065095390

INDUSTRIAL AND HAZARDOUS WASTE OTS REQUEST 36147

Compliance History Period: September 01, 2009 to August 31, 2014

Rating Year: 2014

Rating Date: 09/01/2014

Date Compliance History Report Prepared: May 06, 2015

Agency Decision Requiring Compliance History: Enforcement

Component Period Selected: May 06, 2010 to May 06, 2015

TCEQ Staff Member to Contact for Additional Information Regarding This Compliance History.

Name: Raime Hayes-Falero

Phone: (713) 767-3567

Site and Owner/Operator History:

- | | |
|--|-----|
| 1) Has the site been in existence and/or operation for the full five year compliance period? | YES |
| 2) Has there been a (known) change in ownership/operator of the site during the compliance period? | NO |
| 3) If YES for #2, who is the current owner/operator? | N/A |
| 4) If YES for #2, who was/were the prior owner(s)/operator(s)? | N/A |
| 5) If YES , when did the change(s) in owner or operator occur? | N/A |

Components (Multimedia) for the Site Are Listed in Sections A - J

A. Final Orders, court judgments, and consent decrees:

- | | | | | |
|---|---|------------|-----------------|---------------------------------------|
| 1 | Effective Date: 10/18/2013 | ADMINORDER | 2013-0470-AIR-E | (1660 Order-Agreed Order With Denial) |
| | Classification: Major | | | |
| | Citation: 30 TAC Chapter 116, SubChapter B 116.110(a) | | | |

30 TAC Chapter 122, SubChapter B 122.143(4)

5C THSC Chapter 382 382.0518(a)

5C THSC Chapter 382 382.085(b)

Rqmt Prov: General Terms & Conditions OP

Description: Failed to obtain authorization to construct and operate a source of air emissions. Specifically, the Respondent failed to obtain authorization to operate polyvinyl chloride resin heels storage tank T-3510.

- 2 Effective Date: 05/03/2014 ADMINORDER 2013-2154-AIR-E (1660 Order-Agreed Order With Denial)
Classification: Major
Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
30 TAC Chapter 122, SubChapter B 122.146(2)
5C THSC Chapter 382 382.085(b)
Rqmt Prov: General Terms and Conditions OP
Description: Failed to submit a PCC within 30 days after the end of the certification period. Specifically, the PCC for the certification period from May 25, 2012 through May 24, 2013 was due June 23, 2013 but was not submitted until October 14, 2013.
- 3 Effective Date: 08/15/2014 ADMINORDER 2014-0089-PWS-E (Findings Order-Agreed Order Without Denial)
Classification: Moderate
Citation: 30 TAC Chapter 290, SubChapter F 290.113(f)(4)
5A THSC Chapter 341, SubChapter A 341.0315(c)
Description: Failed to comply with the maximum contaminant level ("MCL") of 0.080 milligrams per liter ("mg/L") for total trihalomethanes ("TTHM"), based on the running annual average ("RAA"). Specifically, the RAA concentration of TTHM for the first quarter of 2013 was 0.089 mg/L.
Classification: Moderate
Citation: 30 TAC Chapter 290, SubChapter F 290.113(f)(4)
5A THSC Chapter 341, SubChapter A 341.0315(c)
Description: Failed to comply with the maximum contaminant level ("MCL") of 0.080 milligrams per liter ("mg/L") for total trihalomethanes ("TTHM"), based on the running annual average ("RAA"). Specifically, the RAA concentration of TTHM for the second quarter of 2013 was 0.090 mg/L.
Classification: Moderate
Citation: 30 TAC Chapter 290, SubChapter F 290.113(f)(4)
5A THSC Chapter 341, SubChapter A 341.0315(c)
Description: Failed to comply with the maximum contaminant level ("MCL") of 0.080 milligrams per liter ("mg/L") for total trihalomethanes ("TTHM"), based on the running annual average ("RAA"). Specifically, the RAA concentration of TTHM for the third quarter of 2013 was 0.098 mg/L.
- 4 Effective Date: 10/18/2014 ADMINORDER 2014-0299-AIR-E (1660 Order-Agreed Order With Denial)
Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter A 101.20(3)
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
Rqmt Prov: SPECIAL CONDITION #1 PERMIT
STC 10 OP
Description: Failed to prevent unauthorized emissions. Specifically, the Respondent released 42.64 pounds of vinyl chloride from the Vinyl Chloride Monomer ("VCM") Storage Sphere (TK-3901B), Emission Point Number MSSSPHERES, during an emissions event (Incident No. 189705) that occurred on October 26, 2012 and lasted four hours. This event occurred when the VCM Storage Sphere (TK-3901B) was opened for maintenance without verifying the concentration of the residual volatile organic compounds in the tank.
Classification: Moderate
Citation: 30 TAC Chapter 101, SubChapter F 101.201(a)(1)(B)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
Rqmt Prov: STC 2F OP
Description: Failed to submit an initial notification for Incident No. 189705 within 24 hours of the discovery of the emissions event. Specifically, the event occurred on October 26, 2012 and the initial notification was not submitted until October 18, 2013.

See addendum for information regarding federal actions.

B. Criminal convictions:

N/A

C. Chronic excessive emissions events:

N/A

D. The approval dates of investigations (CCEDS Inv. Track. No.):

Item 1	May 17, 2010	(1231679)
Item 2	June 21, 2010	(1231680)
Item 3	July 19, 2010	(1231681)
Item 4	July 23, 2010	(1064110)
Item 5	August 18, 2010	(1231682)
Item 6	September 09, 2010	(829547)
Item 7	September 16, 2010	(1231683)
Item 8	November 15, 2010	(1231685)
Item 9	December 13, 2010	(1064119)
Item 10	February 01, 2011	(878159)
Item 11	March 30, 2011	(859965)
Item 12	May 20, 2011	(1064105)
Item 13	June 20, 2011	(1064107)
Item 14	July 19, 2011	(1064109)
Item 15	August 17, 2011	(1064111)
Item 16	September 19, 2011	(1064113)
Item 17	October 14, 2011	(1064115)
Item 18	February 15, 2012	(1064100)
Item 19	April 23, 2012	(1064104)
Item 20	May 21, 2012	(1064106)
Item 21	June 21, 2012	(1064108)
Item 22	October 22, 2012	(1064116)
Item 23	December 21, 2012	(1064121)
Item 24	January 22, 2013	(1080336)
Item 25	January 28, 2013	(1055241)
Item 26	February 19, 2013	(1080335)
Item 27	March 18, 2013	(1089960)
Item 28	April 22, 2013	(1096349)
Item 29	May 20, 2013	(1107299)
Item 30	June 14, 2013	(1110961)
Item 31	July 19, 2013	(1117833)
Item 32	August 20, 2013	(1125620)
Item 33	September 18, 2013	(1130185)
Item 34	October 18, 2013	(1135944)
Item 35	November 21, 2013	(1141333)
Item 36	December 04, 2013	(1124683)
Item 37	December 19, 2013	(1147800)
Item 38	January 18, 2014	(1153855)
Item 39	February 20, 2014	(1161180)
Item 40	March 19, 2014	(1167837)
Item 41	May 20, 2014	(1181167)
Item 42	June 04, 2014	(1159115)
Item 43	June 13, 2014	(1188066)
Item 44	July 15, 2014	(1193968)
Item 45	August 20, 2014	(1199626)
Item 46	September 19, 2014	(1206451)
Item 47	October 17, 2014	(1212867)
Item 48	November 19, 2014	(1219115)
Item 49	December 15, 2014	(1224899)
Item 50	January 12, 2015	(1231686)
Item 51	February 19, 2015	(1242918)

E. Written notices of violations (NOV) (CCEDS Inv. Track. No.):

A notice of violation represents a written allegation of a violation of a specific regulatory requirement from the commission to a regulated entity. A notice of violation is not a final enforcement action, nor proof that a violation has actually occurred.

1 Date: 10/10/2014 (1184327)

Published Compliance History Report for CN600128425, RN100213198, Rating Year 2014 which includes Compliance History (CH) components from May 06, 2010, through May 06, 2015.

Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 5C THSC Chapter 382 382.085(b)
 9347 SC 1 PERMIT
 Description: Failure to meet the demonstration criteria for an affirmative defense for unauthorized emissions during an emissions event (Category B13)

Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 101, SubChapter F 101.201(c)
 5C THSC Chapter 382 382.085(b)
 Description: Failure to submit final updated STEERS report in within 14 days after the end of an emissions event.

2 Date: 10/15/2014 (1192988) CN600128425

Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
 30 TAC Chapter 122, SubChapter B 122.146(2)
 5C THSC Chapter 382 382.085(b)
 Permit O1361, GT&C OP
 Description: Failure to submit a Permit Compliance Certificate (PCC) report within the time frame. [category B3]

Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
 30 TAC Chapter 122, SubChapter B 122.145(2)(C)
 5C THSC Chapter 382 382.085(b)
 Permit O1361, GT&C OP
 Description: Failure to submit a deviation report (DR) within the time frame. [category B3]

Self Report? NO Classification: Moderate
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THSC Chapter 382 382.085(b)
 NSR 9347, SC 21 PERMIT
 Permit O1361, ST&C 10A OP
 Description: Failure to obtain an approved sampling, analysis, and calculation plan for non-vinyl chloride monomer (non-VCM) volatile organic compounds (VOC) for dryer vents (EPNs DR401D, E, F & G, DR2401A, B & C, and DR3401A, B & C) [category B3]

Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THSC Chapter 382 382.085(b)
 NSR 9347, SC 22 PERMIT
 Permit O1361, ST&C 10A OP
 Description: Failure to maintain the RVCM concentration in the Bio Lagoons (EPNs PL1BIO and PL2BIO) within the permit limit of 0.2 ppmw [category C4]

Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 40 CFR Chapter 61, SubChapter C, PT 61, SubPT F 61.70(c)(2)(ii)
 5C THSC Chapter 382 382.085(b)
 NSR 9347, SC 3 PERMIT
 Permit O1361, ST&C 10A OP
 Permit O1361, ST&C 1A OP
 Description: Failure to collect RVCM samples on E line in Plant 1 and on A line in Plant 3 [category C2]

Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
 30 TAC Chapter 122, SubChapter B 122.143(4)
 5C THSC Chapter 382 382.085(b)
 NSR 9347, SC 26C PERMIT
 Permit O1361, ST&C 10A OP
 Description: Failure to perform multi-point calibration (calibration curve) of incinerator stack vinyl chloride monitoring system analyzers annually as per 40 CFR 60 Appendix B, Performance Specification 9 [category C2]

Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 122, SubChapter B 122.143(4)
 30 TAC Chapter 122, SubChapter B 122.145(2)(A)
 5C THSC Chapter 382 382.085(b)
 Permit O1361, GT&C OP
 Description: Failure to include all instances of deviations in deviation reports when the deviations occurred [category C3]

Self Report? NO Classification: Minor
 Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)

30 TAC Chapter 122, SubChapter B 122.143(4)
40 CFR Part 61, Subpart F 61.65(b)(8)(i)
5C THSC Chapter 382 382.085(b)
NSR 9347, SC 3 PERMIT
Permit O1361, ST&C 10A OP
Permit O1361, ST&C 1A OP
Description: Failure to operate an area-wide vinyl chloride monitoring system on a continuous basis
[category C1]

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
NSR 9347, SC 1 PERMIT
Permit O1361, ST&C 10A OP

Description: Failure to accurately represent vinyl chloride monomer (VCM) and non-VCM VOC emissions from sources covered by NSR Permit 9347, and failure to include equipment and emissions associated with the deionized water recovery systems. It is Shintech's position that the corrective action required to address this violation will likely take longer than six months to complete. This violation is therefore being escalated to a Category A4 violation for enforcement.[Category A4]

Self Report? NO Classification: Minor

Citation: 30 TAC Chapter 116, SubChapter B 116.115(b)(2)(E)(i)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
NSR 9347, General Conditions PERMIT
Permit O1361, ST&C 10A OP

Description: Failure to maintain records sufficient to demonstrate compliance with permit hourly average limits of the residual vinyl chloride monomer (RVCM) concentration in the stripper slurry for all plants as required by NSR Permit 9347, Special Condition 21 [category C1]

3 Date: 10/31/2014 (1196975)

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
5C THSC Chapter 382 382.085(b)
Special Condition 1 PERMIT

Description: Failure to meet the demonstration criteria for an affirmative defense for unauthorized opacity during an excess opacity event. (Category B1)

4 Date: 04/24/2015 (1227540)

Self Report? NO Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
5C THSC Chapter 382 382.085(b)
Special Condition 1 PERMIT

Description: Failure to meet the demonstration criteria for an affirmative defense for unauthorized emissions during an emissions event. (Category B13)

F. Environmental audits:

Notice of Intent Date: 11/03/2010 (879176)

No DOV Associated

Notice of Intent Date: 07/13/2012 (1020731)

Disclosure Date: 12/21/2012

Viol. Classification: Moderate

Citation: 40 CFR Chapter 61, SubChapter C, PT 61, SubPT V 61.245

Rqmt Prov: PERMIT 9347, SC 24F

Description: Failed to appropriately calibrate the LSDAR monitoring instruments. The facility calibrates its MicroFID LDAR monitoring instruments using a calibration gas that consists of a mixture of vinyl chloride in air at an approximate concentration of 500 ppm.

Viol. Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)

Description: Failed to have facility calibrate its MicroFID LDAR and monitoring instruments using a calibration gas that is less than the 10,000-ppm leak definition specified in U.S. EPA Method 21, as referenced by NESHAPs Subpart V in 40 CFR 61.245(b)(3).

Viol. Classification: Moderate

Citation: 40 CFR Chapter 61, SubChapter C, PT 61, SubPT F 61.68

Description: Failed to have the facility calibrate its MiniRAE 3000 instruments, utilized as part of the sitewide vinyl chloride monitoring system, using isobutylene rather than vinyl chloride, as prescribed by Method 106, as

prescribed by NESHAP Subpart F.

Viol. Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)

Description: Failed to have LDAR monitoring records for 1Q2011 indicate that the facility monitored more valves (and flanges, which were set equal to twice the number of valves) in each of the PVC production plants than it had represented in its most recent TCEQ air permit application. These amounts were: Plant #1- Monitored 4,010 valves versus 3,786 represented. Plant #2- Monitored 5,486 valves versus 5,307 represented. Plant #3- Monitored 3,579 valves versus 3,263 represented.

Viol. Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)

Description: Failed to have LDAR monitoring records for 1Q2011 not include results for connector monitoring. Operators stated that they monitor the flanges associated with each flanged valve, but no results were documented. There were no stand-alone connectors included in the fugitive component records.

Viol. Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)

Description: Failure to have blind flanges downstream of three valves identified in the LDAR program were not completely closed (i.e., two of four bolts were in place, and the flange and gasket were not closed).

Viol. Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)

Description: Failure to have the facility monitors pumps in non-VCM service on the same semi-annual skip period frequency as valves rather than at least quarterly.

Viol. Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)

Description: Failure to have Plant #1, each of the six reactors have a pressure relief valve that relieves to an inhibitor tank, causing it to flow into the reactor by gravity. Because the set point of the reactor of the reactor PRV, which vents directly to the atmosphere, is the same as the Inhibitor tank, it is unclear whether the tank PRB requires a rupture disk.

Viol. Classification: Major

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)

Description: Failure to have TK 2132 and is not permitted in the 2007 permit amendment application but it is still being used.

Viol. Classification: Minor

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)

Description: Failure to have the facility could not locate authorization for part cleaners, welding and grinding emissions at the maintenance shop.

Viol. Classification: Minor

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)

Description: Failed to have GHG Monitoring Plan not complete

Viol. Classification: Minor

Citation: 30 TAC Chapter 117, SubChapter B 117.310

Description: Failed to have Nitrogen Oxides Compliance Plan Unavailable.

Viol. Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)

Description: Failure to have information on Internal Combustion (IC) Engines brought on site during maintenance activities is recorded on Logistics Diagram. The compliance record does not capture the usage hours and rating of engines and the emissions from IC engines used during MSS were not estimated and, therefore, not included in the rolling 12-month emission records.

Viol. Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)

Description: Failed to have the dryer startup emissions not being estimated, recorded and incorporated in the rolling 12-month emissions. There is no environmental impact because routine emissions from dryers were permitted at 8,760 tpy and the allowable hourly emissions rate for routine emission is higher than the MSS emission rate. In the permit application specific to MSS in 2007, however, MSS emissions of dryers were specified but not properly incorporated into the Maximum Allowable Emission Rate Table (

Viol. Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)

Description: Failed to have painting as part of maintenance activities at Shintech. Currently, hourly emissions from painting activities are not being estimated. Short term emissions are not specified for the chemicals present in the paint used. Quality of thinner used is recorded but no emissions are estimated and therefore not included in the Annual Emissions Inventory.

Viol. Classification: Major

Citation: 30 TAC Chapter 116, SubChapter B 116.110

Description: Failed to have permit application submitted in 2007, an MSS EPN was requested for Sand Blasting. However, the permit issued by TCEQ in 2008 did not authorize an EPN for this activity. Shintech continues to operate this activity without an authorization. In addition, sand blasting emissions have not been quantified and reported in the most recent EIQ.

Viol. Classification: Minor

Citation: 40 CFR Chapter 372, SubChapter J, PT 372, SubPT A 372.10

Description: Failed to have sufficient supporting documentation not available on file to verify the chemical classification into "manufactured", "processed" and "other chemicals" categories for historic TRI reporting.
Viol. Classification: Minor
Citation: 40 CFR Chapter 372, SubChapter J, PT 372, SubPT A 372.10

Description: Failed to have previous TRI reports found to have calculation errors in the Threshold Quantity.
Viol. Classification: Minor
Citation: 40 CFR Chapter 372, SubChapter J, PT 372, SubPT A 372.10

Description: Failed to have previous TRI reports were found to not have documented the release quantities necessary to justify the use of Form A.
Viol. Classification: Minor
Citation: 40 CFR Chapter 372, SubChapter J, PT 372, SubPT B 372.30

Description: Failed to have data from 2009 and 2010 TRI reporting for K-Bin was improperly reported separately from Shintech.
Viol. Classification: Minor
Citation: 40 CFR Chapter 112, SubChapter D, PT 112 112.7(a)(4)

Description: Failed to have SPCC plan did not have facility address and phone number readily available for reference.
Viol. Classification: Minor
Citation: 40 CFR Chapter 112, SubChapter D, PT 112 112.7(f)(1)

Description: Failed to have plant personnel not appear to be familiar with spill response equipment, or equipment is not where it is supposed to be.
Viol. Classification: Minor
Citation: 40 CFR Chapter 110, SubChapter D, PT 110 112.7(e)

Description: Failed to have items incorrectly reported as acceptable during SPCC inspections.
Viol. Classification: Moderate
Citation: 40 CFR Chapter 112, SubChapter D, PT 112 112.7(c)

Description: Failed to have a hole cut in the wall of TK-607 containment.
Viol. Classification: Moderate
Citation: 4C THSC Chapter 262, SubChapter A 262.001

Description: Failure of Shintech to have exceeded Conditionally Exempt Small Quantity Generator (CESQG) status without full compliance of all applicable regulations.
Viol. Classification: Minor
Citation: 40 CFR Chapter 262, SubChapter I, PT 262, SubPT C 262.32(a)

Description: Failed to have Lab Pack wasted not labeled as Hazardous Waste in storage, does not have waste codes.
Viol. Classification: Minor
Citation: 40 CFR Chapter 262, SubChapter I, PT 262, SubPT C 262.34(c)(1)(ii)

Description: Failed to have satellite storage container not labeled as Hazardous Waste.
Viol. Classification: Minor
Citation: 40 CFR Chapter 262, SubChapter I, PT 262, SubPT C 262.34(c)(1)(ii)

Description: Failed to have waste storage area in laboratory not labeled.
Viol. Classification: Minor
Citation: 40 CFR Chapter 262, SubChapter I, PT 262, SubPT C 262.34(c)(1)(ii)

Description: Failed to have satellite storage areas not labeled.
Viol. Classification: Minor
Citation: 40 CFR Chapter 279, SubChapter I, PT 279, SubPT C 279.22(d)

Description: Failed to have oil drum and absorbent drums identified outside of a containment area.
Viol. Classification: Minor
Citation: 40 CFR Chapter 265, SubChapter I, PT 265, SubPT I 265.173(a)

Description: Failed to have used oil and antifreeze containers in oil storage areas that were not sealed.
Viol. Classification: Minor
Citation: 40 CFR Chapter 265, SubChapter I, PT 265, SubPT I 265.173(a)

Description: Failed to have an unmarked open bucket of oily-looking material attached to a sonic washer and was observed in the I&E building.
Viol. Classification: Minor
Citation: 40 CFR Chapter 265, SubChapter I, PT 265, SubPT I 265.173(a)

Description: Failed to have unmarked, unclassified drums in poor condition that were stored in Plant 2 chemical storage area.
Viol. Classification: Minor
Citation: 30 TAC Chapter 335, SubChapter R 335.508(2)

Description: Failed to have aerosol cans (punctured) were found in the plant trash.
Viol. Classification: Moderate
Citation: 40 CFR Chapter 262, SubChapter I, PT 262, SubPT C 262.34(c)(1)(ii)

Description: Failed to have chromate water from spill stored in totes outside in Plant 1 area. Water is hazardous if disposed.
Viol. Classification: Minor
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)

Description: Failed to have ZR-19 not listed in the TSCA Inventory based on CAS registry number. Need to confirm a

PMN has been submitted for this material.

Viol. Classification: Minor

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)

Description: Failed no historical TSCA Inventory Use Report (IUR) or current TSCA Chemical Data Report (CDR), or procedures identified to ensure when they are necessary.

Viol. Classification: Minor

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)

Description: Failure to have needs to have procedures to process TSCA Section 8(a) substantial risk information.

Viol. Classification: Moderate

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)

Description: Failed to have secondary containment berms in Unit 2 near TK2354 and near PU23958 were incomplete (missing concrete sections). The process sump inside the secondary containment near TK 2354 was overflowing, escaping the containment area, and flowing into the storm sewer outfall. A thin, white, milky layer (sheen) was briefly observed on the surface of the water.

Viol. Classification: Minor

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)

Description: Failure to file copy of the Discharge Monitoring Report (DMR) from March 2012 is missing the first page of the report.

Viol. Classification: Minor

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)

Description: Failure to have contact information was not up to date.

Viol. Classification: Minor

Citation: 30 TAC Chapter 290, SubChapter D 290.46(f)

Description: Failure to have facility lacked data prior to 2007.

Viol. Classification: Minor

Citation: 30 TAC Chapter 290, SubChapter D 290.46(i)

Description: Failed to have no lead or copper sampling data from prior to 2007.

Viol. Classification: Minor

Citation: 30 TAC Chapter 290, SubChapter D 290.46(n)

Description: Failed to have no record of drawings for the treatment system.

Viol. Classification: Minor

Citation: 30 TAC Chapter 290, SubChapter D 290.46(i)

Description: Failed to have no procedures identified to ensure that low-lead or lead-free materials were used in repairs.

Viol. Classification: Minor

Citation: 30 TAC Chapter 290, SubChapter D 290.46(g)

Description: Failed there was no procedures identified to ensure the public water system is disinfected and sampled after repairs

Viol. Classification: Minor

Citation: 40 CFR Chapter 68, SubChapter C, PT 68, SubPT G 68.160

Description: Failure of RMP not identify the Dun and Bradstreet numbers (DUNS) for the facility and parent company.

Viol. Classification: Minor

Citation: 40 CFR Chapter 68, SubChapter C, PT 68, SubPT G 68.160

Description: Failed to have RMP identified the Brazoria County LEPC, at (979) 233-7861, as the local agency through which it's emergency response plan is implemented. The Emergency Response Plan, however, listed Brazoria County Emergency Management, at (979) 864-1801, as the applicable local agency.

Viol. Classification: Minor

Citation: 40 CFR Chapter 68, SubChapter C, PT 68, SubPT G 68.180(c)

Description: Failed to have RMP incorrectly identified the site as not being subject to federal RCRA regulations or State Emergency Planning and Community Right to Know (EPCRA) rules.

Viol. Classification: Minor

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)

Description: Failed to have permit 682E indicate stack tests were completed for CM3131 and BL6155 but the records could not be located.

Viol. Classification: Minor

Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)

Description: Failure to have visible emissions testing at the K-Bin Plant had insufficient documentation to confirm that daily testing is being done.

Viol. Classification: Minor

Citation: 40 CFR Chapter 372, SubChapter J, PT 372, SubPT A 372.10

Description: Failure to have previous TRI reports were found to have calculation errors in the Threshold Quantity.

Viol. Classification: Minor

Citation: 40 CFR Chapter 372, SubChapter J, PT 372, SubPT A 372.10

Description: Failed to have previous TRI reports were found to not have documented the release quantities necessary to justify the use of Form A.

Viol. Classification: Minor

Citation: 40 CFR Chapter 372, SubChapter J, PT 372, SubPT B 372.30

Description: Failed to have data from 2009 and 2010 TRI reporting for K-Bin was improperly reported separately from

Published Compliance History Report for CN600128425, RN100213198, Rating Year 2014 which includes Compliance History (CH) components from May 06, 2010, through May 06, 2015.

G. Type of environmental management systems (EMSs):

N/A

H. Voluntary on-site compliance assessment dates:

N/A

I. Participation in a voluntary pollution reduction program:

N/A

J. Early compliance:

N/A

Sites Outside of Texas:

N/A

Addendum to Compliance History Federal Enforcement Actions

Reg Entity Name: SHINTECH

Reg Entity Add: 5618 HIGHWAY 332 EAST

Reg Entity City: FREEPORT

Reg Entity No: RN100213198

EPA Case No: 06-2013-0911

Order Issue Date (yyyymmdd): 20131119

Case Result: Final Order with Pen & Un

Statute: CWA

Sect of Statute: 301/307

Classification: Minor

Program: Toxics Chemical Release

Citation: 40 CFR

Violation Type:

Cite Sect:

Cite Part: 262.11(c)(1)

Enforcement Action: Administrative Penalty Order With or Without Inj

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



**IN THE MATTER OF AN
ENFORCEMENT ACTION
CONCERNING
SHINTECH INCORPORATED
RN100213198**

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**BEFORE THE
TEXAS COMMISSION ON
ENVIRONMENTAL QUALITY**

AGREED ORDER DOCKET NO. 2015-0077-AIR-E

I. JURISDICTION AND STIPULATIONS

On _____, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding Shintech Incorporated ("Respondent") under the authority of TEX. HEALTH & SAFETY CODE ch. 382 and TEX. WATER CODE ch. 7. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent together stipulate that:

1. The Respondent owns and operates a polyvinyl chloride resins production plant at 5618 East Highway 332 in Freeport, Brazoria County, Texas (the "Plant").
2. The Plant consists of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 382.003(12).
3. The Executive Director and the Respondent agree that the Commission has jurisdiction to enter this Agreed Order, and that the Respondent is subject to the Commission's jurisdiction.
4. The Respondent received notice of the violations alleged in Section II ("Allegations") on or about January 3, 2015.
5. The occurrence of any violation is in dispute and the entry of this Agreed Order shall not constitute an admission by the Respondent of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
6. An administrative penalty in the amount of Thirty-Seven Thousand Five Hundred Dollars (\$37,500) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent has paid Thirty Thousand Dollars (\$30,000) of the administrative penalty and Seven Thousand Five Hundred Dollars

(\$7,500) is deferred contingent upon the Respondent's timely and satisfactory compliance with all the terms of this Agreed Order. The deferred amount will be waived upon full compliance with the terms of this Agreed Order. If the Respondent fails to timely and satisfactorily comply with all requirements of this Agreed Order, the Executive Director may require the Respondent to pay all or part of the deferred penalty.

7. Any notice and procedures, which might otherwise be authorized or required in this action, are waived in the interest of a more timely resolution of the matter.
8. The Executive Director and the Respondent agree on a settlement of the matters alleged in this enforcement action, subject to final approval in accordance with 30 TEX. ADMIN. CODE § 70.10(a).
9. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that the Respondent has not complied with one or more of the terms or conditions in this Agreed Order.
10. This Agreed Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Agreed Order, whichever is later.
11. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable.

II. ALLEGATIONS

As owner and operator of the Plant, the Respondent is alleged to have failed to accurately represent emissions and equipment in New Source Review ("NSR") Permit Nos. 9347 and PSDTX285M5, in violation of 30 TEX. ADMIN. CODE §§ 101.20(3), 116.115(c), 116.116(b)(1), and 122.143(4), NSR Permit Nos. 9347 and PSDTX285M5, Special Conditions No. 1, Federal Operating Permit No. 01361, Special Terms and Conditions No. 10.A., and TEX. HEALTH & SAFETY CODE § 382.085(b), as documented during a record review conducted on December 3, 2014. Specifically, the Respondent failed to accurately represent emissions of Vinyl Chloride Monomer ("VCM") and non-VCM volatile organic compounds ("VOC") associated with equipment at Plant 1, Plant 2, and Plant 3 as reported in the deviation report for the November 25, 2013 to May 24, 2014 deviation reporting period, resulting in the unauthorized emissions of 0.18 ton per year ("tpy") of VCM and 25.23 tpy of non-VCM VOC. See Attachment A.

III. DENIALS

The Respondent generally denies each allegation in Section II ("Allegations").

IV. ORDERING PROVISIONS

1. It is, therefore, ordered by the TCEQ that the Respondent pay an administrative penalty as set forth in Section I, Paragraph 6 above. The payment of this administrative penalty and the Respondent's compliance with all the terms and conditions set forth in this Agreed Order resolve only the allegations in Section II. The Commission shall not be constrained in any manner from requiring corrective action or penalties for violations which are not raised here. Administrative penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: Shintech Incorporated, Docket No. 2015-0077-AIR-E" to:

Financial Administration Division, Revenue Operations Section
Attention: Cashier's Office, MC 214
Texas Commission on Environmental Quality
P.O. Box 13088
Austin, Texas 78711-3088

2. It is further ordered that the Respondent shall undertake the following technical requirements:
 - a. Within 30 days after the effective date of this Agreed Order, submit an administratively complete application to amend NSR Permit Nos. 9347 and PSDTX285M5 to accurately represent VCM, non-VCM VOC, and equipment, in accordance with 30 TEX. ADMIN. CODE § 116.116, to:

Air Permits Division, MC 163
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087
 - b. Respond completely and adequately, as determined by the TCEQ, to all requests for information concerning the permit amendment for NSR Permit Nos. 9347 and PSDTX285M5 within 30 days after the date of such requests, or by any other deadline specified in writing;
 - c. Within 45 days after the effective date of this Agreed Order, submit written certification as described in Ordering Provision No. 2.e. below to demonstrate compliance with Ordering Provision No. 2.a.;
 - d. Within 360 days after the effective date of this Agreed Order, submit written certification as described in Ordering Provision No. 2.e. below that either a permit amendment has been obtained or that operation has ceased until such time that appropriate authorization is obtained; and
 - e. The certifications required by Ordering Provision Nos. 2.c. and 2.d. shall be accompanied by detailed supporting documentation including photographs, receipts, and/or other records, and shall be notarized by a State of Texas Notary Public and include the following certification language:

"I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fines and imprisonment for knowing violations."

The certification shall be submitted to:

Order Compliance Team
Enforcement Division, MC 149A
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

with a copy to:

Air Section Manager
Houston Regional Office
Texas Commission on Environmental Quality
5425 Polk Avenue, Suite H
Houston, Texas 77023-1486

3. The provisions of this Agreed Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Plant operations referenced in this Agreed Order.
4. If the Respondent fails to comply with any of the Ordering Provisions in this Agreed Order within the prescribed schedules, and that failure is caused solely by an act of God, war, strike, riot, or other catastrophe, the Respondent's failure to comply is not a violation of this Agreed Order. The Respondent shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. The Respondent shall notify the Executive Director within seven days after the Respondent becomes aware of a delaying event and shall take all reasonable measures to mitigate and minimize any delay.
5. The Executive Director may grant an extension of any deadline in this Agreed Order or in any plan, report, or other document submitted pursuant to this Agreed Order, upon a written and substantiated showing of good cause. All requests for extensions by the Respondent shall be made in writing to the Executive Director. Extensions are not effective until the Respondent receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.

6. This Agreed Order, issued by the Commission, shall not be admissible against the Respondent in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Agreed Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.
7. This Agreed Order may be executed in separate and multiple counterparts, which together shall constitute a single instrument. Any page of this Agreed Order may be copied, scanned, digitized, converted to electronic portable document format ("pdf"), or otherwise reproduced and may be transmitted by digital or electronic transmission, including but not limited to facsimile transmission and electronic mail. Any signature affixed to this Agreed Order shall constitute an original signature for all purposes and may be used, filed, substituted, or issued for any purpose for which an original signature could be used. The term "signature" shall include manual signatures and true and accurate reproductions of manual signatures created, executed, endorsed, adopted, or authorized by the person or persons to whom the signatures are attributable. Signatures may be copied or reproduced digitally, electronically, by photocopying, engraving, imprinting, lithographing, electronic mail, facsimile transmission, stamping, or any other means or process which the Executive Director deems acceptable. In this paragraph exclusively, the terms "electronic transmission", "owner", "person", "writing", and "written" shall have the meanings assigned to them under TEX. BUS. ORG. CODE § 1.002.
8. Under 30 TEX. ADMIN. CODE § 70.10(b), the effective date is the date of hand-delivery of the Order to the Respondent, or three days after the date on which the Commission mails notice of the Order to the Respondent, whichever is earlier.

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission


For the Executive Director

9/11/15
Date

I, the undersigned, have read and understand the attached Agreed Order. I am authorized to agree to the attached Agreed Order on behalf of the entity indicated below my signature, and I do agree to the terms and conditions specified therein. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

I also understand that failure to comply with the Ordering Provisions, if any, in this order and/or failure to timely pay the penalty amount, may result in:

- A negative impact on compliance history;
- Greater scrutiny of any permit applications submitted;
- Referral of this case to the Attorney General's Office for contempt, injunctive relief, additional penalties, and/or attorney fees, or to a collection agency;
- Increased penalties in any future enforcement actions;
- Automatic referral to the Attorney General's Office of any future enforcement actions; and
- TCEQ seeking other relief as authorized by law.

In addition, any falsification of any compliance documents may result in criminal prosecution.


Signature

June 19, 2015
Date

John Timothy O'Brien
Name (Printed or typed)
Authorized Representative of
Shintech Incorporated

Plant Manager
Title

Instructions: Send the original, signed Agreed Order with penalty payment to the Financial Administration Division, Revenue Operations Section at the address in Section IV, Paragraph 1 of this Agreed Order.

Attachment A.

Plant 1	
Equipment ID	Equipment Description
TK-455D	Plant 1 Cushion Tank
TK-455E	Plant 1 Cushion Tank
TK-455F	Plant 1 Cushion Tank
TK-455G	Plant 1 Cushion Tank
CF-401D	Centrifuge
CF-401E	Centrifuge
CF-401F	Centrifuge
CF-401G	Centrifuge
CF-402D	Centrifuge
CF-402E	Centrifuge
CF-402F	Centrifuge
CF-402G	Centrifuge
N/A	Railcar Wash Area
CL-681	Waste Water Clarifier
FL-407A/B/C	Gravity Filters (A,B,C)
PIT-403	PVC Settling Pit
PIT-684	Equalization Pit
PIT-685	Biological Pit
PIT-687&688	No. 1 & No. 2 pH Adjustment Pits
PIT-689	Post Aeration/Final Pit
PIT-690	Clarified Wastewater Pit
TK-404D/E/F/G	Effluent Water Tanks (D,E,F,G)
TK-414	RDW Tank
TK-418	Coagulation Tank
TK-419	Clearwell Tank
TK-420	RDW Cushion (Overflow) Tank
PIT-451	SH-C Pit
PIT-681	Extended Aeration Lagoon
PIT-682	Settling Pit
CL-661	Raw Water Clarifier
TK-462	Waste Water Processing Tank

Plant 2	
Equipment ID	Equipment Description
TK-2455A	Plant 2 Cushion Tank
TK-2455B	Plant 2 Cushion Tank
TK-2455C	Plant 2 Cushion Tank
CF-2401A	Centrifuge
CF-2401B	Centrifuge
CF-2401C	Centrifuge
CF-2402A	Centrifuge
CF-2402B	Centrifuge
CF-2402C	Centrifuge
CL-2681	Waste Water Clarifier
FL-2691A/B/C	Gravity Filters (A,B,C)
PIT-2402	PVC Settling Pit
PIT-2685	Final Pit
PIT-2686	Post Aeration and Neutralization Pit
PIT-2687	Equalization Pit
PIT-2688	Biological Pit
TK-2404A/B/C	Effluent Water Tanks
TK-2651	RDW Tank
TK-2691	Coagulation Tank
TK-2693	Clearwell Tank (RDW Tank)
PIT-2690	Effluent Pit

Plant 3	
Equipment ID	Equipment Description
TK-3455A	Plant 3 Cushion Tank
TK-3455B	Plant 3 Cushion Tank
TK-3455C	Plant 3 Cushion Tank
CF-3401A	Centrifuge
CF-3401B	Centrifuge
CF-3401C	Centrifuge
CF-3402A	Centrifuge
CF-3402B	Centrifuge
CF-3402C	Centrifuge
N/A	Railcar Wash Area
CL-3681	Waste Water Clarifier
FL-3691A/B	Gravity Filters (A,B)
PIT-3402	PVC Settling Pit
PIT-3685 & 3686	No. 1 & No. 2 pH Adjustment Pits
PIT-3687	Post Aeration and Neutralization Pit
PIT-3681	Equalization Pit
PIT-3682	Biological Pit
PIT-3688	Clarified Waste Water Pit
TK-3404A/B/C	Effluent Water Tanks (A,B,C)
TK-3651	RDW Tank
TK-3691	Coagulation Tank
TK-3693	Clearwell Tank
PIT-3691	Effluent Pit
PIT-3693	Biological Pit
PIT-3694	RDW Pit
CL-3661	Clarifier (Raw Water Clarifier)
PIT-3692	Equalization Pit
CL-3682	RDW2 Clarifier